

COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS

AGENDA ITEM TRANSMITTAL

(1) DEPARTMENT Public Works		(2) MEETING DATE June 6, 2006		(3) CONTACT/PHONE Mark Sullivan, Department Administrator (805) 781-5256	
(4) SUBJECT An Assessment Election and Public Hearing will be held by the Board of the San Luis Obispo County Flood Control and Water Conservation District regarding the proposed additional assessment for Flood Zone 1 and 1A.					
(5) SUMMARY OF REQUEST Hold an assessment election/public hearing regarding the proposed additional assessment for Flood Zone 1 and 1A and determine the County's vote on County-owned property.					
(6) RECOMMENDED ACTION It is our recommendation that your Honorable Board: <ol style="list-style-type: none"> 1. Hold an assessment election/public hearing, in accordance with California Government Code Section 53753, for land owners within Flood Zone 1 and 1A for the purpose of determining if an additional assessment will be levied using the following guidelines: <ol style="list-style-type: none"> a. Sit as the Governing Board of the San Luis Obispo Flood Control and Water Conservation District; take both oral and written testimony regarding the proposed additional assessment; direct Public Works to act on the Flood Control Zone ballots. b. Sit as the Board of Supervisors of San Luis Obispo County; direct General Services to act on County ballots. c. Return as the Governing Board of the San Luis Obispo Flood Control and Water Conservation District and end public testimony. 2. Close the public hearing and assessment election for Flood Control Zone 1 and 1A. 3. Direct the Clerk of the Board to collect and tabulate the ballots at the close of the public hearing and report the results at the regularly scheduled Board of Supervisors meeting on June 27, 2006 					
(7) FUNDING SOURCE(S) FC Zone 1		(8) CURRENT YEAR COST N/A		(9) ANNUAL COST N/A	
(10) BUDGETED? <input type="checkbox"/> No <input type="checkbox"/> Yes <input checked="" type="checkbox"/> N/A					
(11) OTHER AGENCY/ADVISORY GROUP INVOLVEMENT (LIST): Natural Resource Conservation District, California Department of Water Resources, Coastal San Luis Resource Conservation District, Zone 1/1A Task Force & Advisory Committee, Various County Departments.					
(12) WILL REQUEST REQUIRE ADDITIONAL STAFF? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, How Many? _____ <input type="checkbox"/> Permanent _____ <input type="checkbox"/> Limited Term _____ <input type="checkbox"/> Contract _____ <input type="checkbox"/> Temporary Help _____					
(13) SUPERVISOR DISTRICT(S) <input type="checkbox"/> 1st, <input type="checkbox"/> 2nd, <input checked="" type="checkbox"/> 3rd, <input checked="" type="checkbox"/> 4th, <input type="checkbox"/> 5th, <input type="checkbox"/> All		(14) LOCATION MAP <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A		(15) Maddy Act Appointments Signed-off by Clerk of the Board N/A	
(16) AGENDA PLACEMENT <input type="checkbox"/> Consent <input checked="" type="checkbox"/> Hearing (Time Est. 60 Minutes) <input type="checkbox"/> Presentation <input type="checkbox"/> Board Business (Time Est. _____)		(17) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions (Orig + 4 copies) <input type="checkbox"/> Contracts (Orig + 4 copies) <input type="checkbox"/> Ordinances (Orig + 4 copies) <input checked="" type="checkbox"/> N/A			
(18) NEED EXTRA EXECUTED COPIES? <input type="checkbox"/> Number: _____ <input type="checkbox"/> Attached <input checked="" type="checkbox"/> N/A		(19) APPROPRIATION TRANSFER REQUIRED? <input type="checkbox"/> Submitted <input type="checkbox"/> 4/5th's Vote Required <input checked="" type="checkbox"/> N/A			
(20) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) _____		(21) W-9 <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes		(22) Agenda Item History <input type="checkbox"/> N/A Date <u>3/28/2006</u>	
(23) ADMINISTRATIVE OFFICE REVIEW <div style="text-align: right; font-family: cursive; font-size: 1.2em;"> Ok Leslie B... C3 (6.6.06) </div>					

Reference: 06JUN6-H-1

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SAN LUIS OBISPO COUNTY DEPARTMENT OF PUBLIC WORKS

Noel King, Director

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TO: Board of Supervisors of the San Luis Obispo County Flood Control and Water Conservation District

FROM: Mark Sullivan, Department Administrator *MHS*

VIA: Paavo Ogren, Deputy Director of Public Works *PAO m MHS*

DATE: June 6, 2006

SUBJECT: An Assessment Election and Public Hearing will be held by the Board of the San Luis Obispo County Flood Control and Water Conservation District regarding the proposed additional assessment for Flood Zone 1 and 1A.

Recommendation

It is our recommendation that your Honorable Board:

Summary of Recommendation:

1. Sit as the Governing Board of the San Luis Obispo County Flood Control and Water Conservation District:
 - a. Commence a Public Hearing
 - b. Open the Public Testimony period
 - c. Consider all arguments for and against the additional assessment
 - d. Direct the Department of Public Works to act on the Flood Control District's ballots
 - e. Sit as the Board of Supervisors for San Luis Obispo County:
 - i. Direct the Department of General Services to act on the County's ballots
2. Return as the Governing Board of the San Luis Obispo County Flood Control and Water Conservation District:
 - a. Close the Public Testimony period
 - b. Close the Public hearing
3. Direct the Clerk of the Board to collect and tabulate the ballots and report the results of the election on June 27, 2006

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Detailed Recommendation:

1. Hold an assessment election/public hearing in accordance with Government Code 53753, which will require your board to switch between the Governing Board of the San Luis Obispo County Flood Control and Water Conservation District and the Board of Supervisors of San Luis Obispo County. This hearing will provide landowners the opportunity to voice their respective positions for or against the additional assessment. An explanation and procedural outline are given below.
 - a. First, sitting as the Governing Board of the San Luis Obispo County Flood Control and Water Conservation District, you should commence a Public Hearing regarding the proposed additional assessment for Flood Control Zone 1 and 1A. After opening Public Testimony, any interested person shall be permitted to present written or oral testimony. Your Board shall consider all objection or protests, if any, to the proposed additional assessment. An assessment ballot may be submitted, or changed, or withdrawn by the person who submitted the ballot prior to the conclusion of the Public Testimony. Some landowners who have not voted before the Public Hearing will be afforded the opportunity of hearing their neighbor's points of view before voting. Those who have already voted must be given the opportunity to change or withdraw their vote prior to concluding the Public Testimony. The Clerk of the Board should assist these individuals with their voting needs.
 - b. During the Public Testimony period, the Governing Board of the San Luis Obispo County Flood Control and Water Conservation District should discuss the ballots sent to the County regarding property owned by the Flood Control District within the assessment area. There are five ballots to consider and all have zero-dollar assessments. There are three possible voting scenarios to discuss:
 - i. Vote yes and support paying the proposed additional assessment on Flood Control District property.
 - ii. Vote no and oppose the paying of the proposed additional assessment.
 - iii. Refrain from voting.



Listed below are the ballots for the Flood Control District:

<i>APN</i>	<i>DESCRIPTION</i>	<i>OWNER OF RECORD</i>	<i>PROPOSED ASSESSMENT</i>
006-084-001	LEVEE STRUCTURE	SLO CO FL CONTROL & WATER CONSERVATION DISTRI	\$0.00
006-087-001	LEVEE STRUCTURE	SLO COUNTY FLOOD CONTROL & WATER CONSERVATION	\$0.00
006-087-001	LEVEE STRUCTURE	SLO COUNTY FLOOD CONTROL & WATER CONSERVATION	\$0.00
061-161-012	LAGOON	SLO CO FL CONTROL & WATER CONSERVATION DISTRI	\$0.00
075-011-004	LEVEE STRUCTURE	SLO COUNTY FLOOD CONTROL WATER CONSERVATION D	\$0.00

- c. After determining your vote, your Board should instruct the Director of Public Works or their designee to sign and submit the ballots to the Clerk of the Board.
- d. Sitting as the Board of Supervisors for San Luis Obispo County, your Board will discuss how to vote on properties owned by the County within the assessment area. There are six ballots to consider, with only two having dollar amounts associated with them. These two ballots represent \$30,478.23 in proposed additional assessments. Again, your Board has three possible voting scenarios to discuss:
 - i. Vote yes and support paying the proposed \$30,478.23 additional assessment on County property.
 - ii. Vote no and oppose the paying of the proposed \$30,478.23 additional assessment.
 - iii. Refrain from voting.

Listed below are the ballots for the properties owned by the County:

<i>APN</i>	<i>DESCRIPTION</i>	<i>OWNER OF RECORD</i>	<i>PROPOSED ASSESSMENT</i>
061-032-037	NW END OF AIRPORT (VACANT)	SLO CO OF	\$0.00
061-082-002	LAGOON	SLO CO OF	\$0.00
061-091-025	LAGOON	SLO COUNTY OF	\$0.00
061-091-027	CAMPGROUND	SLO COUNTY OF	\$4,471.01
061-091-029	AIRPORT	COUNTY OF SAN LUIS OBISPO	\$26,007.22
061-091-026	LAGOON	SLO COUNTY OF	\$0.00

- e. After determining your vote, your Board should instruct the Director of General Services or their designee to sign and submit the ballots to the Clerk of the Board.

2. Returning as the Governing Board of the San Luis Obispo County Flood Control and Water Conservation District, your Board should make a final call to submit, withdraw or change any ballots, and then close the Public Testimony portion of the Public Hearing. No ballots will be accepted, withdrawn or changed after the close of the Public Testimony.
3. After closing Public Testimony, your Board should close the Public Hearing and direct the Clerk of the Board, in an area open to public inspection, tabulate the ballots at 9:00 am, or as soon as possible thereafter, on June 8, 2006 and report the results of the election to the Board at a Public Hearing on June 27, 2006.

Discussion

In an attempt to provide for the continued maintenance of the Structures within Flood Control Zone 1 and 1A, the District passed Resolution 2005-183 on June 28, 2005 requesting the State proceed to conclusion with only those aspects of the implementation of a State Maintenance Area No. 18, as described in Water Code sections 12878.1 through 12878.19, and that the State delay the filing for record of the order determining and establishing the boundaries of the State Maintenance Area No. 18 for a period of 12 months from July 1, 2005 through July 1, 2006. During the one-year delay, the local community was to be given an opportunity to develop alternative methods to provide for continued maintenance.

The Natural Resource Conservation Service, the Coastal San Luis Resource Conservation District and the Zone 1 and 1A Advisory Committee & Task Force determined, with the assistance and review of various alternatives for maintaining the Structures, provided by a professional firm specializing in these issues, that the ongoing maintenance costs that could enhance the efficiency of the Structures and also be affordable by the community was \$350,000 per year.

The San Luis Obispo County Department of Public Works, upon the recommendation of the Flood Control Zone 1 and 1A Advisory Committee, subsequently procured the services of an assessment engineer to determine precisely which properties would be receiving clear benefit from the increased assessment. The engineer determined that properties within the 20 year flood zone most clearly received benefit. The assessment engineer also determined the proportional benefit to each property within the 20 year flood area and spread the \$350,000 accordingly.

On February 28, 2006 your Board, acting as the Governing Board of the San Luis Obispo Flood Control and Water Conservation District, approved Resolutions 2006-79 and 2006-80. Resolution 2006-79 was a resolution of intention to annex certain parcels within the San Luis Obispo County Flood Control and Water Conservation District to Zone 1 of said District. The resolution set a public hearing for March 21, 2006, and directed the Clerk to notice the hearing in accordance with required statutes. Your Board's action also set May 2, 2006 as the date for your Board to further consider Resolution 2006-80.

On March 21, 2006, your board, acting as the Governing Board of the San Luis Obispo Flood Control and Water Conservation District, held a public hearing to discuss the annexation of 31 parcels to Flood Zone 1. After hearing public testimony, your board approved Resolution 2006-110, which annexed said parcels into the San Luis Obispo Flood Control and Water Conservation District Zone 1. The annexation ensured all parcels within the 20 year flood boundary, which was the boundary determined by the assessment engineer that delineated benefit from the maintenance of the Structures, were properly included into Zone 1 and able to vote on the June 6, 2006 additional assessment election.

Each parcel receiving special benefit from the Structures are proposed to be additionally assessed their proportionate share of the annual cost of maintenance with an annual increase not to exceed 3% per year. In order to provide for this additional assessment, the proposed additional assessment must be ratified by the owners of properties on which the additional assessment is proposed to be levied. The assessment votes will be weighted based on the amount of additional assessment to each parcel. The proposed additional assessment will be ratified if a simple majority of the weighted assessment ballots returned are in favor of the additional assessment.

On March 28, 2006, your board, acting as the Governing Board of the San Luis Obispo Flood Control and Water Conservation District, passed Resolution 2006-114. This resolution accepted the assessment engineer's final report, approved the proposed additional assessment for each parcel within Flood Zone 1 and 1A, and approved the format of the official ballot to be used in the additional assessment election. Resolution 2006-114 also directed the Clerk of the Board to mail the approved ballot to all land owners within Flood Zone 1 and 1A and set June 6, 2006 as the date for the public hearing and close of the assessment election.

The proposed \$350,000 assessment is a new assessment and will be in addition to the existing assessments annually levied within Flood Control Zone 1 and 1A. This existing annual assessment will still be collected as approved annually by the Governing Board of Flood Control Zone 1 and 1A. As allowable by law, parcels annexed into Flood Zone 1 on March 21 will be obligated to the original assessment.

On June 27, 2006 the Clerk of the Board will report the results of this election. Depending on the results of the election, your board has the option to approve the \$350,000 additional assessment or continue with the relinquishment of the Flood Zones to the State of California.

Other Agency Involvement/Impact

The Natural Resource Conservation Service (NRCS), Coastal San Luis Resource Conservation District (RCD) and Zone 1/1A Task Force & Advisory Committee have researched the alternatives and recommended a solution which requires an assessment election of all parcels within the 20 year flood boundary of Flood Zone 1 and 1A.

Financial Considerations

Flood Control Zone 1 and 1A are zones of benefit within the San Luis Obispo County Flood Control and Water Conservation District and were originally established to provide ongoing funding for the maintenance of the Arroyo Grande and Los Berros channels. These Zones presently do not have adequate funding to provide adequate, ongoing maintenance. If the proposed additional assessment is ratified by the property owners, the \$350,000 additional assessment, as adjusted for allowable inflation, will be collected annually and utilized by these Zones to substantially enhance maintenance and operational efforts to the Arroyo Grande and Los Berros channels. The additional assessment, if approved, would be levied indefinitely unless the San Luis Obispo County Flood Control and Water Conservation District Board determines otherwise.

In addition, the Flood Control Zones 1 and 1A presently collect an annual service charge of \$10 per acre, rounded to the nearest ½ acre. This service charge will continue to be submitted to the Governing Board of Flood Control Zone 1 and 1A annually for collection. This funding is needed to pay for general benefits provided by the flood control Structures that are not, under current stature, assessable to parcels. Parcels annexed by your Board on March 21, 2006 will be subject to this existing/"grandfathered" assessment in fiscal year in 2006/07.

The assessment election will determine the financial outcome of the District. Should the election pass, and the Board not transfer control to the State, the District will collect funding through historical and additional assessments to increase maintenance and operations of the Structures for a 20 year flood event. If approved by property owners, the funding provided for Zone 1 and 1A maintenance will increase from approximately \$70,000 annually to approximately \$420,000 annually. Should the assessment election fail, the District has the option to relinquish the District by June 30, 2006 to the California State of Water Resources (DWR), as dictated by Board Resolution 2003-105.

Results

Holding an assessment election will provide property owners within Flood Control Zone 1 and 1A an opportunity to vote on whether or not an additional assessment should be approved; thus, promoting a well-governed community.

File: CF 340.60.03

Reference: 06JUN6-H-1

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